

Statement of financial position

as at 31 December

<i>In thousands of Leones</i>	Note	2013	2012
Assets			
Cash and cash equivalents	16	59,780,540	53,468,027
Loans and advances to customers	17	10,234,470	12,322,526
Investment securities	18	86,148,663	57,861,163
Property, plant and equipment	19	8,433,422	10,529,427
Intangible assets	20	216,610	358,849
Income tax receivable	13c	237,468	67,812
Deferred tax asset	13d	-	356,505
Other assets	22	2,339,850	819,202
Total assets		167,391,023	135,783,511
Liabilities			
Deposits from customers	23	142,366,981	102,143,565
Deferred tax liability	13d	-	-
Other liabilities	24	5,598,425	9,476,699
Total liabilities		147,965,406	111,620,264
Equity			
Share capital	26	28,174,373	28,174,373
Deposit for shares	28	13,544,642	13,544,642
Statutory reserve	27.2	352,806	352,806
Retained earnings	27.3	(29,960,908)	(18,735,581)
Credit risk reserves	27.4	7,253,330	786,823
Other reserves	27.1	61,374	40,184
Total equity attributable to equity holders of the Bank		19,425,617	24,163,247
Total liabilities and equity		167,391,023	135,783,511

These financial statements were approved by the Board of Directors on

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Directors

The notes on pages 13 to 89 are an integral part of these financial statements

Statement of comprehensive income

for the year ended 31 December


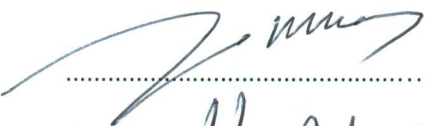
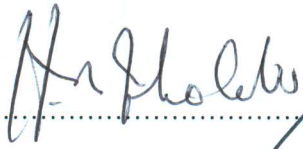
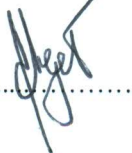
<i>In thousands of Leones</i>	Note	2013	2012
Interest and similar income	8	13,802,436	15,304,706
Interest expenses and similar charges	8	(3,978,717)	(2,423,974)
Net interest income		<u>9,823,719</u>	<u>12,880,732</u>
Fees and commission income	9	3,844,823	3,957,536
Net trading income	10	3,397,931	3,393,070
Other income	11	270,930	24,271
Operating income		<u>17,337,403</u>	<u>20,255,609</u>
Impairment loss on loans and advances	17	(4,980,752)	(2,896,507)
Personnel expenses	12.1	(3,693,806)	(4,824,738)
Operating lease expense	21	(727,527)	(619,573)
Depreciation and amortisation	19,20	(3,390,764)	(3,417,400)
Other expenses	12b	(8,955,950)	(8,269,567)
(Loss)/profit before income tax		<u>(4,411,396)</u>	<u>227,824</u>
Income tax (expense)/credit	13a	(347,424)	477,788
(Loss)/profit for the year	29	<u>(4,758,820)</u>	<u>705,612</u>
Other comprehensive income, net of income tax			
Defined benefit plan actuarial gain on defined benefit obligation		30,271	57,406
Deferred tax on actuarial gain on defined benefit obligation		(9,081)	(17,222)
Other comprehensive income for the year, net of income tax		<u>21,190</u>	<u>40,184</u>
Total comprehensive income for the year		<u>(4,737,630)</u>	<u>745,796</u>

The notes on pages 13 to 89 are an integral part of these financial statements

Statement of comprehensive income *(continued)*
for the year ended 31 December

<i>In thousands of Leones</i>	Note	2013	2012
<i>(Loss)/profit attributable to:</i>			
Equity holders of the Bank		(4,758,820)	705,612
<i>(Loss)/profit for the year</i>		<u>(4,758,820)</u>	<u>705,612</u>
Total comprehensive income attributable to:			
Equity holders of the Bank		(4,737,630)	745,796
Total comprehensive income for the year		<u>(4,737,630)</u>	<u>745,796</u>
Basic earnings per share	14	(168.9)	25
Diluted earnings per share	14	(114.1)	16.9

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Statement of changes in equity

In thousands of Leones

	Share capital	Deposit for shares	Statutory reserve	Retained earnings	Credit risk reserves	Other reserves	Total
Balance at 1 January 2012	28,174,373	6,671,683	-	(18,305,617)	4,053	-	16,544,492
Total comprehensive income for the period							
Net profit for the year	-	-	-	705,612	-	-	705,612
Other comprehensive income							
Actuarial gain (Defined Benefit Obligation)	-	-	-	-	-	40,184	40,184
Net amount transferred to profit or loss							
Total other comprehensive income	-	-	-	-	-	40,184	40,184
Other transfer							
Transfer to credit risk reserve	-	-	-	(782,770)	782,770	-	-
Transfer to statutory reserve	-	-	352,806	(352,806)	-	-	-
Total other transfers	-	-	352,806	(1,135,576)	782,770	-	-
Total comprehensive income and other transfers	-	-	352,806	(429,964)	782,770	40,184	745,796
Transactions with owners, recorded directly in equity							
Contribution by and distributions to owners							
Issue of bonus shares	-	-	-	-	-	-	-
Issue of shares in respect of deposit for shares	-	6,872,959	-	-	-	-	6,872,959
Total contributions by and distributions to owners	-	6,872,959	-	-	-	-	6,872,959
Balance at 31 December 2012	28,174,373	13,544,642	352,806	(18,735,581)	786,823	40,184	24,163,247

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Statement of changes in equity (continued)

<i>In thousands of Leones</i>	Share capital	Deposit for shares	Statutory reserve	Retained earnings	Credit risk reserves	Other reserves	Total
Balance at 1 January 2013	28,174,373	13,544,642	352,806	(18,735,581)	786,823	40,184	24,163,247
Total comprehensive income for the period	<hr/>						
Loss for the year	-	-	-	(4,758,820)	-	-	(4,758,820)
Other comprehensive income	<hr/>						
Remeasurements of defined benefit liability	-	-	-	-	-	21,190	21,190
Total other comprehensive income	-	-	-	-	-	21,190	21,190
Other transfer	<hr/>						
Transfer to credit risk reserve	-	-	-	(6,466,507)	6,466,507	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-
Total other transfers	-	-	-	(6,466,507)	6,466,507	-	-
Total comprehensive income and other transfers	-	-	-	(11,225,327)	6,466,507	21,190	(4,737,630)
Transactions with owners, recorded directly in equity	<hr/>						
Contribution by and distributions to owners	<hr/>						
Issue of shares in respect of deposit for shares	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	-
Balance at 31 December 2012	28,174,373	13,544,642	352,806	(29,960,908)	7,253,330	61,374	(19,425,617)

The notes on pages 13 to 89 are an integral part of these financial statements

Statement of cash flows
for the year ended 31 December

<i>In thousands of Leones</i>	Note	2013	2012
Cash flows from operating activities			
(Loss)/profit		(4,758,820)	705,612
Adjustment for:			
- Depreciation and amortisation	19,20	3,390,764	3,417,400
- Net impairment loss on loans and advances		4,980,752	2,896,507
- Net interest income	8	(9,823,719)	(12,880,732)
- Net actuarial gain on end of service benefit		30,271	57,406
- Profit from disposal of property and equipment		(12,000)	-
- Tax expense		347,424	(477,788)
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		(5,845,328)	(6,281,595)
Changes in:			
- Loans and advances		(2,892,696)	(4,384,946)
- Other assets		(1,520,648)	897,009
- Deposits from customers		40,223,416	48,688,171
- Other liabilities		(3,878,274)	5,621,604
		<hr/>	<hr/>
		26,086,470	44,540,243
Interest received	8	13,802,436	15,304,706
Interest paid	8	(3,978,717)	(2,423,974)
Income tax paid	13c	(169,656)	-
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Net cash generated from operating activities		35,740,533	57,420,975
Cash flows from investing activities			
Acquisition of investment securities		(42,510,143)	(36,417,448)
Acquisition of property and equipment		(1,152,520)	(933,441)
Acquisition of intangible assets		-	(76,807)
Proceeds from disposal of motor vehicle		12,000	-
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Net cash used in investing activities		(43,650,663)	(37,427,696)
Cash flows from financing activities			
Deposit for shares		-	6,872,959
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Net cash from financing activities		-	6,872,959
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Net increase in cash and cash equivalents		(7,910,130)	26,866,238
Cash and cash equivalents at 1 January		67,690,670	40,824,432
Cash and cash equivalent at 31 December	<i>16.1</i>	59,780,540	67,690,670
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